25X1A INFORMATION REPORT CD NO Austria/J.SR DATE DISTR 29 MAR51 Austrian Middleran Arrested for Sale NO. OF PAGES of Defective Parachute Silk to the Russians

PLACE ACQUIRED DATE OF 25X1A

RETURN TO GIA

NO. OF ENCLS.

SUPPLEMENT TO REPORT NO.



25X1X

COUNTRY

SUBJECT

- Cyorgyi Berenyi, a Vienese black marketeer who was recently arrested by Soviet authorities, was involved in a deal pertaining to the sale of large quantities of Italian parachute silk to the Soviet Air Force. This purchase was not handled through USIA or any other commercial agency, but it was negotiated directly by the representatives of the purchasing division of the Soviet Air Force who came to Vienna to arrange the deal.
- According to Avdeyev, acting chief of the Central Commercial Bureau of USIA, Berenyl accepted a \$60,000 payment on account. He actually shipped the appropriate quantity covered by the pre-payment. When the silk arrived, however, it was found not to be of the desired quality, and for that reason the Soviet representatives involved in the purchase requested Berenyi's arrest by Soviet authorities. Avdeyev further stated that Berenyi was being held in Vienna and that he is now attempting to arrange, from jail, for the replacement of the faulty silk by new shipments from Italy to be assigned to Juschwieschtrans. Vienna. If replacements orrive, the silk to which the Soviet purchasing agents objected will be placed at the disposal of the Central Commercial Bureau of USIA for disposition or resale. Exact quantities 25X1X

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1973 from the Director of Central Infelligence to the Archivist of the United Clases. test Review Date: 2013 1.8 CLASSIFICATION DISTRIBUTION NAVY MSRB STATE ARMY